

we energies



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Public Service Commission of Wisconsin
RECEIVED: 06/23/15, 11:19:44 AM

June 23, 2015

Ms. Sandra J. Paske
Secretary to the Commission
Public Service Commission of Wisconsin
Post Office Box 7854
Madison, WI 53707-7854

Dear Ms. Paske:

Re: We Energies Voluntary Programs. Docket No. 6630-GF-136

Enclosed is the We Energies 2016-2017 Natural Gas Voluntary Program Plan.

If you have any questions concerning this report, please contact Joan Voissem, at 414-221-5424.

Sincerely,

James A. Schubilske
Vice President
State Regulatory Affairs

Enclosure

Voluntary Program Plan

**Customer Services
We Energies**

2016-2017 Natural Gas Energy Efficiency Voluntary Programs

June 23, 2015

For Docket 6630-GF-136

Voluntary Program Plan Summary

We Energies offers one voluntary energy efficiency program which is the Residential Assistance Program. The program was redesigned in the 2014-2015 PSC filing and underwent a process evaluation which was filed in 2015. We Energies intends to continue to offer this program in 2016-2017.

Program Description

- **Residential Assistance:** This Voluntary Program provides weatherization service for income qualified residential customers who participate in the Low Income Pilot program at We Energies. It is designed to address the energy efficiency of the entire home (e.g. heating system, building envelope, low cost energy efficiency measures, etc.). Enhanced coordination with Focus on Energy will be a hallmark of this program.

Voluntary Program Annual costs

Annual Gas Voluntary Program Budget	
WEGO Voluntary Programs	\$ 434,000
WG Voluntary Programs	\$ 519,750
Total Voluntary Program	\$ 875,000

Residential Assistance Gas Voluntary Program Plan

Residential Assistance	
Program Description	<p>We Energies Residential Assistance Program (RAP) is available to natural gas customers who are home owners and are below 80% of the state median income (SMI). Customers are identified primarily by participating in the We Energies Low Income Pilot (LIP)/Early Identification Program (EIP). There is no advertising of RAP which eliminates any confusion there might be with other weatherization programs e.g. Focus on Energy and State Low Income Weatherization.</p> <p>The LIP program was designed to assist customers who are recovering from being delinquent on their bills. As part of LIP requirements, customers are required to accept weatherization to help them to afford their energy bills. The RAP Program is designed to address the energy efficiency of the entire home (e.g. heating system, building envelope, low cost energy efficiency measures, etc.).</p>

Residential Assistance	
	<p>We Energies will continue to partner with Focus on Energy to utilize their program offerings. This partnership strengthens both programs which supports the high quality of work currently being performed by the Home Performance Program with Energy Star Trade Allies.</p> <p>Customers who are eligible for the Home Performance Program with Energy Star Reward Level 2 will receive incentives from Focus on Energy. If heating equipment is needed, eligible customers will participate in the Enhanced Rewards Program. We Energies will cover the remaining balance of all eligible measures installed after Focus on Energy incentives have been applied. We Energies will also pay in full all energy savings measures that do not have incentives in the Focus on Energy program.</p>
Target Market	<p>RAP is primarily targeted to natural gas customers who are participating in the We Energies Low Income Pilot (LIP)/Early Identification Program (EIP) and who are homeowners of one to three unit structures. Some referrals may include emergency situations involving customers with medical conditions or customers with no heat.</p>
Eligible Measures	<p>Qualified measures will include Focus on Energy incentive measures and other measures that can assist the home owner to reduce the energy use. The recommended work plan will be identified during the initial assessment by the Focus on Energy Trade Ally in compliance with the Focus on Energy Home Performance Material and Insulation Standards. The Trade Ally will install all direct installation measures as directed by the normal Focus on Energy offering.</p> <p>Measures that qualify for Focus on Energy incentives:</p> <ul style="list-style-type: none"> • Attic and wall insulation • Air sealing • High efficient furnace and boiler replacement <p>Additional measures that We Energies will pay entire cost:</p> <ul style="list-style-type: none"> • Sill box insulation • Air infiltration not included under Focus incentive e.g. hole in external door, broken glass on external window • Furnace and boiler tune-ups and repairs • Other natural gas appliance repair or replacement if needed for health/safety purposes due to enhanced air sealing • Carbon Monoxide Detector
Delivery Strategy	<p>The We Energies Low Income Pilot (LIP) Program Manager will provide the customer referral to Focus on Energy Home Performance with Energy Star Trade Allies that have agreed to the following process:</p> <ol style="list-style-type: none"> 1. RAP eligibility is determined by the Low Income Pilot Manager. This

Residential Assistance	
	<p>includes income and home ownership verification.</p> <ol style="list-style-type: none"> 2. The Focus on Energy Home Performance with Energy Star Trade Ally will perform the standard Focus on Energy Home Performance with Energy Star assessment. In addition, the assessment will include heating measures and additional measures as identified in the Eligible Measures Section above. 3. The Focus on Energy Home Performance with Energy Star Trade Ally will implement direct install measures that are part of the Focus on Energy Home Performance with Energy Star Program. 4. The Focus on Energy Home Performance with Energy Star Trade Ally will provide a proposal for the work to be performed to the Program manager for approval. 5. In the event a heating measure is required, the Focus on Energy Home Performance with Energy Star Trade Ally will direct this work to a Focus on Energy Enhanced Rewards Trade Ally partner. 6. The Focus on Energy Home Performance with Energy Star Trade Ally will agree to perform a Quality Control inspection for each project. The post-installation inspection and paperwork review will ensure that measures have been installed as per Focus on Energy standards, and that the mechanical systems are operating and venting properly. 7. The Focus on Energy Home Performance with Energy Star Trade Ally will submit the necessary paperwork for the Focus on Energy incentives and invoice We Energies for the remaining balance. The Focus on Energy Home Performance with Energy Star Trade Ally will also invoice We Energies for any additional measures that were installed. Focus on Energy will conduct sample inspections on homes completed by the Energy Star Trade Ally.
Marketing and Communications	This program will not be marketed through any advertisements or public relations media outlets. All customer referrals for RAP will come through the We Energies Low Income Pilot (LIP) Program Manager.
Incentive Strategy	<p>RAP will cover the remaining balance of all eligible measures installed after Focus on Energy incentives have been applied. RAP will pay in full all measures that do not have incentives in the Focus program. Trade Allies are required to adhere to Focus on Energy QA/QC standards relative to safety and building code compliance.</p> <p>A single family home project cost will not exceed \$12,000. For two to three unit buildings up to \$6,000 per unit will be allowed; however, total project costs will be capped at \$15,000.</p>
EM&V Strategy	The redesign of the program was evaluated in 2014 and 2015, and concluded that the program redesign was largely effective and efficient. Because no significant changes are proposed for the program design, and

Residential Assistance	
	<p>because the program does not claim savings outside of those already documented by Focus on Energy, there is no budget currently determined for evaluation of the Residential Assistance Program.</p> <p>We Energies staff will continue to inform PSCW staff regarding their own tracking of program performance. Annual updates on program outcomes will be provided to PSCW staff at the end of each calendar year, with final updates filed as part of We Energies' annual efficiency report. We Energies will also provide written updates on program issues during the program year if events warrant.</p>
Budget	There will be an annual budget of \$875,000. The budget has been reduced due to the reduced costs associated with the redesigned program. The Focus On Energy incentives have reduced the cost to the program. The utilization of Focus On Energy Trade Allies and the Focus guidelines have reduced the administrative costs associated with running the program.
Miscellaneous Information	There will be no energy savings claimed by We Energies for this program. Focus on Energy will claim the appropriate savings for the measures installed.
Program Goals	Serve 100 units per year. The program has a target of 40,000 therms savings per year.
Coordination with Focus on Energy	Coordination with State Weatherization efforts and with the Focus on Energy Home Performance with Energy Star and Enhanced Rewards Programs will be critical. Regular communication with all parties will occur to provide updates and address any issues.